

# **OKMULGEE COUNTY CRIMINAL JUSTICE AUTHORITY**

**FINANCIAL STATEMENTS**

**AND**

**AUDITORS' REPORT**

**FOR THE YEAR ENDED**

**JUNE 30, 2013**



***Clothier & Company CPA's P.C.***

P.O. Box 1495 \* Muskogee, Ok 74402

(918) 687-0189 FAX (918) 687-3594

[cccpa@yahoo.com](mailto:cccpa@yahoo.com)



**Okmulgee County Criminal Justice Authority**  
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**June 30, 2013**

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***Clothier & Company CPA's P.C.***  
[cccpa@yahoo.com](mailto:cccpa@yahoo.com)

P.O. Box 1495  
Muskogee, Oklahoma 74402  
918-687-0189 FAX 918-687-3594

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### **Independent Auditors' Report**

Board of Trustees  
Okmulgee County Criminal Justice Authority  
Okmulgee, Oklahoma

We have audited the accompanying financial statements of the governmental activities of Okmulgee County Criminal Justice Authority, a component unit of the County of Okmulgee, Oklahoma, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which comprise the Authority's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of Okmulgee County Criminal Justice Authority as of June 30,

2013, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages I – III be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions of the financial statements that comprise the Authority's basic financial statements. The budgetary comparison is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The budgetary comparison is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedure, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2013 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. The report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



Clothier and Company, CPA's, PC  
November 25, 2013

Okmulgee County Criminal Justice Authority  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2013

Our discussion and analysis of the Authority's financial performance provides an overview of the Authority's financial activities for the fiscal year ended June 30, 2013.

#### USING THIS ANNUAL REPORT

This annual report consists of three parts; Management's Discussion and Analysis, Financial Statements, and Required Supplementary Information. The Financial Statements also includes notes that explain in detail some of the information in the financial statements.

#### REQUIRED FINANCIAL STATEMENTS

The Financial Statements of the Authority report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short and long term financial information about its activities. The Balance Sheet includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and obligations to creditors (liabilities). All of the current year's revenues and expenses are accounted for in the Income Statement. This statement measures the success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through its fees and other charges, profitability, and credit worthiness. The final required statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and net changes in cash resulting from operations, investing, capital and non-capital financing activities.

#### FINANCIAL HIGHLIGHTS

Assets	<u>\$1,700,364</u>	Revenues	<u>\$1,635,916</u>
Liabilities	\$ 442,277	Expenditures	<u>\$1,973,677</u>
Fund Balance	<u>\$1,258,087</u>	Interest Income	\$ <u>1,980</u>
	<u>\$1,700,364</u>	Net Income	\$ <u>(335,781)</u>

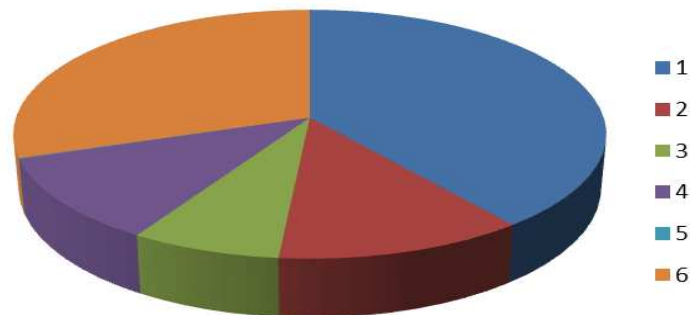
### AUTHORITY'S ACTIVITIES

During the fiscal year the Authority maintained jail operations and contract bed funding. 911/communication services were maintained by the Authority until January 2013 when Okmulgee County took over the operations. Revenues decreased and expenditures decreased from last fiscal year. The fund balance this year is positive.

### BUDGETARY HIGHLIGHTS

The 2012-2013 budget was for a full 12 month period. We were able to fund incremental 5% step raises for line staff jail division employees.

### REVENUES BY SOURCE



1	Department of Corrections (DOC)	644,429	39.39%
2	911 (County Transfers)	197,688	12.08%
3	Phone Commissions	118,728	7.26%
4	Incarceration fees	180,766	11.05%
5	Other	1,464	0.09%
6	Sales Tax	492,841	30.13%

### DEBT ADMINISTRATION

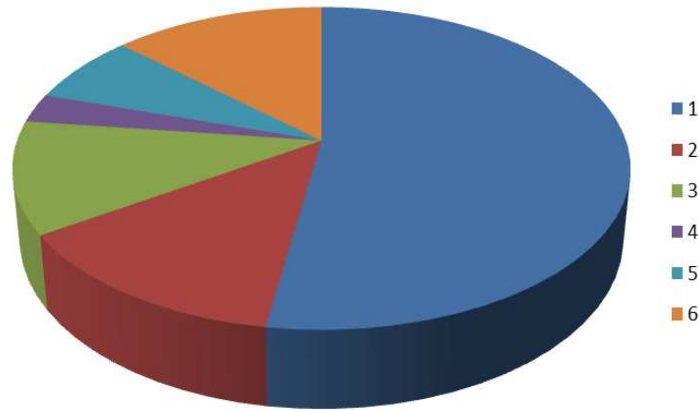
Okmulgee County Governmental Building Authority is responsible for the debt incurred on the jail and major assets. We have no long or short term debt.

### FIXED ASSETS

We had a reporting of assets as follows:

Land/Improvements	\$213,235
Equipment	\$384,463

## EXPENDITURES BY SOURCE



1	Salaries/Payroll taxes	1,034,719	60.32%
2	Employee Benefits	263,033	15.33%
3	Inmate Expense	221,985	12.94%
4	Depreciation	57,368	3.34%
5	Utilities & Telephone	138,240	8.06%
6	General Administrative	258,332	15.06%

## NEXT YEAR'S ACTIVITIES

The Authority will continue contract bed services. Efforts to improve income revenue and preserve assets will be made.

## CONTACTING THE AUTHORITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our taxpayers and board trustees with a general overview of the Authority's finances and to show the Authority's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Authority's office at 918-752-0983.



**Okmulgee County Criminal Justice Authority**  
**BALANCE SHEET**  
**June 30, 2013**

**ASSETS**

**Current Assets**

Cash and cash equivalents	\$1,115,264
Inmate Trust Fund	292,412
Accounts receivable	72,089
<b>Total Current Assets</b>	<u>1,479,765</u>

**Noncurrent Assets**

Property, plant and equipment	597,696
Accumulated depreciation	(377,097)
<b>Net Property &amp; Equipment</b>	<u>220,599</u>

<b>Total Assets</b>	<u><u>\$1,700,364</u></u>
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**LIABILITIES AND FUND BALANCE**

**Current Liabilities**

Accounts payable	\$44,797
Accrued payroll taxes	7,764
Inmate Trust Fund payable	292,412
Salaries/vacations payable	97,304
<b>Total Liabilities</b>	<u>442,277</u>

**Fund Balance**

Invested in Capital Assets	220,599
Unrestricted Fund Balance	1,037,488
<b>Total Fund Balance</b>	<u>1,258,087</u>

<b>Total Liabilities and Fund Balances</b>	<u><u>\$1,700,364</u></u>
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**Okmulgee County Criminal Justice Authority**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN FUND BALANCE**  
**June 30, 2013**

**Revenue**

Sales Tax	\$492,841
Phone Commission	118,728
Department of Corrections	644,429
Incarceration Fees	180,766
Transfers from Okmulgee County	197,688
Total Revenue	<u>1,634,452</u>

**Expenses**

Salaries	952,760
Employee Benefits	263,033
Payroll Taxes	81,959
911 Equipment Expense	13,381
Uniforms	4,730
Travel/Training	2,489
Inmate Expenses	168,396
Medical supplies	5,397
Kitchen supplies	1,022
Operating supplies	41,439
Bedding supplies	5,731
Telephone/utilities	138,240
Repairs & Maintenance	2,728
Depreciation	57,368
Office/postage supplies	7,187
Vehicle Expenses	13,033
Insurance	90,513
Contract/professional services	97,135
Miscellaneous	22,457
Vacation/Sick Pay	4,679
Total Expenditures	<u>1,973,677</u>

**Operating Income (Loss)** (339,225)

**Other Income (Expenditure)**

Interest Income	1,980
Other Income	1,464
Transfers	0
Total Other Income (Expenditures)	<u>3,444</u>

**Change in Fund Balances**

Restricted fund balance	0
Temporarily restricted fund balance	0
Unrestricted fund balance	(335,781)
Total change in fund balances	<u><u>(\$335,781)</u></u>

See accompanying footnotes and independent auditors' report.

**Okmulgee County Criminal Justice Authority**  
**STATEMENT OF CASH FLOWS**  
**June 30, 2013**

**Cash Flow From Operating Activities:**

Cash received from customers	\$1,107,704
Cash received from other sources	691,993
Cash paid to employees	(987,535)
Cash paid to suppliers	(900,419)
Net Cash Flows from Operating Activities	<u>(88,257)</u>

**Cash Flows from Capital and Related Financing Activities:**

Disposal of capital assets	(186,763)
Purchase of capital assets	(12,445)
Net Cash Used for capital and related financing activities	<u>(199,208)</u>

**Cash Flows from Investing Activities:**

Receipt of interest	1,980
Net Cash Provided by Investing Activities	<u>1,980</u>

**Net Increase (Decrease) in Cash and Cash Equivalents** (285,485)

Cash and Cash Equivalents Beginning of Year 1,693,161

**Cash and Cash Equivalents End of Year** \$1,407,676

**Reconciliation of Operating Income to Net Cash Flows From Operating Activities:**

Net Income	(\$335,781)
Less interest income	(1,980)
Add Depreciation Expense	57,368
(Increase)/Decrease in Current Assets:	
Accounts receivables, net	163,781
Increase/(Decrease) in Current Liabilities:	
Accounts payable	63,130
Accrued expenses	(34,775)
Net cash Flows from Operating Activities	<u><u>(\$88,257)</u></u>

See accompanying footnotes and independent auditors' report.

**Okmulgee County Criminal Justice Authority**  
**DEPARTMENTAL BALANCE SHEET**  
**June 30, 2013**

	Jail	911	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	\$1,115,264	\$0	\$1,115,264
Inmate Trust Fund	292,412	0	292,412
Accounts receivable	72,089	0	72,089
<b>Total Current Assets</b>	<u>1,479,765</u>	<u>0</u>	<u>1,479,765</u>
<b>Noncurrent Assets</b>			
Property, plant and equipment	597,696	0	597,696
Accumulated depreciation	(377,097)	0	(377,097)
<b>Net Property &amp; Equipment</b>	<u>220,599</u>	<u>0</u>	<u>220,599</u>
<b>Total Assets</b>	<u><u>\$1,700,364</u></u>	<u><u>\$0</u></u>	<u><u>\$1,700,364</u></u>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Current Liabilities</b>			
Accounts payable	\$44,797	\$0	\$44,797
Accrued payroll taxes	7,764	0	7,764
Inmate Trust Fund payable	292,412		292,412
Salaries/vacations payable	97,304	0	97,304
<b>Total Liabilities</b>	<u>442,277</u>	<u>0</u>	<u>442,277</u>
<b>Fund Balance</b>			
Invested in Capital Assets	220,599	0	220,599
Unrestricted Fund Balance	1,037,488	0	1,037,488
<b>Total Fund Balance</b>	<u>1,258,087</u>	<u>0</u>	<u>1,258,087</u>
<b>Total Liabilities and Fund Balances</b>	<u><u>\$1,700,364</u></u>	<u><u>\$0</u></u>	<u><u>\$1,700,364</u></u>

**Okmulgee County Criminal Justice Authority**  
**DEPARTMENTAL STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND BALANCE**  
**June 30, 2013**

	Jail	911	Total
<b>Revenue</b>			
Sales Tax	\$492,841	\$0	\$492,841
Phone Commission	118,728	0	118,728
Department of Corrections	644,429	0	644,429
Incarceration Fees	180,766	0	180,766
Transfers from Okmulgee County	0	197,688	197,688
Total Revenue	<u>1,436,764</u>	<u>197,688</u>	<u>1,634,452</u>
<b>Expenses</b>			
Salaries	851,450	101,310	952,760
Employee Benefits	232,835	30,198	263,033
Payroll Taxes	76,891	5,068	81,959
911 Equipment Expense	0	13,381	13,381
Uniforms	4,413	317	4,730
Travel/Training	2,152	337	2,489
Inmate Expenses	168,396	0	168,396
Medical supplies	5,397	0	5,397
Kitchen supplies	1,022	0	1,022
Operating supplies	41,439	0	41,439
Bedding supplies	5,731	0	5,731
Telephone/utilities	137,256	984	138,240
Repairs & Maintenance	2,728	0	2,728
Depreciation	36,236	21,132	57,368
Office/postage supplies	6,640	547	7,187
Vehicle Expenses	8,881	4,152	13,033
Insurance	90,513	0	90,513
Contract/professional services	89,015	8,120	97,135
Miscellaneous	21,147	1,310	22,457
Vacation/Sick Pay	4,679	0	4,679
Total Expenditures	<u>1,786,821</u>	<u>186,856</u>	<u>1,973,677</u>
<b>Operating Income (Loss)</b>	<u>(350,057)</u>	<u>10,832</u>	<u>(339,225)</u>
<b>Other Income (Expenditure)</b>			
Interest Income	1,980	0	1,980
Other Income	1,464	0	1,464
Transfers	31,150	(31,150)	0
Total Other Income (Expenditures)	<u>34,594</u>	<u>(31,150)</u>	<u>3,444</u>
<b>Change in Fund Balances</b>	<u><u>(\$315,463)</u></u>	<u><u>(\$20,318)</u></u>	<u><u>(\$335,781)</u></u>

## **NOTES TO THE FINANCIAL STATEMENTS**

For the Year Ending June 30, 2013

### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Okmulgee County Criminal Justice Authority was formed May 8, 2000. The Okmulgee Criminal Justice Authority operates under a Trustee form of management. The Authority's major operations are to oversee the Okmulgee County adult inmate population.

The Okmulgee County Criminal Justice Authority's financial statements are prepared in accordance with generally accepted accounting principles. The Governmental Accounting Standards Board is responsible for establishing generally accepted accounting principles for state and local governments through its pronouncements. Governments are also required to follow the pronouncements of the Financial Accounting Standard Board issued through November 30, 1989 that do not conflict with or contradict generally accepted accounting principles pronouncements.

Reporting Entity these financial statements present the Okmulgee County Criminal Justice Authority, a legally separate component unit of the County of Okmulgee, State of Oklahoma.

Basis of Presentation – The Authority's basic financial statements consist of a balance sheet, statement of revenues, expenses, and changes in fund balance, which provides a detailed level of financial information. The Authority is considered to be an enterprise fund, proprietary fund type, as defined under accounting principles generally accepted in the United States of America. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The measurement focus is upon financial position, changes in financial position and cash flows.

Basis of Accounting the financial statements are presented on an accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when incurred.

Cash and cash equivalents the Authority has defined cash and cash equivalents to include cash on hand, demand deposits and money market accounts with original maturities of 3 months or less. Deposits not covered by the FDIC are to be collateralized.

Property, Plant and Equipment is depreciated on a straight-line basis over the useful lives of the assets. Useful life of the assets is considered to be from 5 to 7 years. Assets having a value \$250 or greater are capitalized. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Vacation and Sick Leave employees may accumulate up to 20 days vacation and 130 days sick leave. Employees will be paid for vacation time accrued upon termination. A liability for vacation time has been accrued for the leave available at June 30, 2013 in the financial statements in the amount of \$74,545. Available accrued sick leave balance as of June 30, 2013 is \$160,782. Accrued sick leave is not included in the financial statements because it is not paid at the time of departure from the Authority.

Revenues the primary source of operating revenue is from the Department of Corrections for housing state inmates. The Authority receives an incarceration fee paid according to the number of inmates jailed each day. In addition, the Authority also receives sales tax revenue from the Okmulgee County Governmental Building Authority, another Governmental Trust Organization. The Authority also receives an incarceration fee for inmates jailed from surrounding communities and the U. S. Marshals Service. A commission is

Okmulgee County Criminal Justice Authority

received from Legacy based on the collect phone calls made by inmates. All revenue is recognized when earned.

Expenses are recognized when the related liability is incurred.

Use of Estimates the preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Accordingly, actual results could differ from those estimates.

## **2. RELATED PARTY TRANSACTIONS**

The Okmulgee County Criminal Justice Authority receives funding from the Okmulgee County Building Authority. The Authorities operate under the supervision of the same Board of Trustees and the same County Commissioners.

The Okmulgee County Building Authority owns the jail facility. The Okmulgee County Criminal Justice Authority is responsible for the daily operations and maintenance of the facility.

The revenues are derived primarily from sales tax collections. The Building Authority receives the revenues, and then a portion is allocated to the Criminal Justice Authority. In the year ended June 30, 2013, the Okmulgee County Criminal Justice Authority received \$492,841 from the Okmulgee County Building Authority in sales tax revenue.

## **3. RISK MANAGEMENT**

Okmulgee County Criminal Justice Authority is exposed to various risks of loss related to torts; theft of or damage to, and destruction of assets; injuries to employees and natural disasters. The Authority is presently not involved in any matters of litigation. Additionally, the Authority's management believes that the Authority's insurance programs would cover some of any potential loss that could have an unfavorable outcome.

## **4. CASH AND CASH EQUIVALENTS**

Custodial Credit Risk is the risk that in the event of a bank failure the Authority's deposits may not be returned. Deposits are exposed to custodial credit risk if they are not covered by depository insurance. The Authority maintains deposits at several financial institutions located in Okmulgee, Oklahoma. A public unit is insured through its official custodian. If the same individual or individuals are official custodian for more than one public unit, they are treated as one official custodian if action or consent by all of these individuals is required for the exercise of control over funds of a single public unit. Deposits insured by the Federal Deposit Insurance Corporation up to \$250,000 at each financial institution or \$500,000 total. As of June 30, 2013 cash balances totaled \$1,113,840. The Authority has collateralized receipts for \$1,190,000. The under insured or collateralized receipts is \$43,832 with Arvest Bank.

## 5. PROPERTY, PLANT AND EQUIPMENT

	Cost Basis	Acquisitions/ Dispositions	Accumulated Depreciation	Book Basis
Land/Improvements	213,234	0	(51,611)	161,623
Auto/Transport	87,835	0	(87,835)	0
Furniture/Fixtures	38,469	1,243	(37,760)	1,952
Equipment	245,713	11,202	(199,891)	57,024
911 Equipment	251,647	(251,647)	0	0
	836,898	(239,202)	(377,097)	220,599

The Authority has \$57,368 in depreciation expense for the year ending June 30, 2013.

## 6. RETIREMENT AND PENSION PLAN

The Authority is a member of the State Employee Retirement Program and contributes 10% of its employees' base salary to the retirement account. Employees can also choose to contribute a percentage of their base salary to the retirement account and are responsible for the management of the funds in their account. The retirement expense for 2013 was \$123,008 which is included in employee benefits.

## 7. 911 OPERATIONS

As of January 31, 2013 the maintenance and operations of the 911 call center was turned over Okmulgee County. At that time all assets and liabilities were transferred to the County. The revenue and expenditures on these financial statements are for July 2012 through January 2013.

## 8. EVALUATION OF SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through November 25, 2013, the date which the financial statements were available to be issued with none found.





***Clothier & Company CPA's P.C***  
[ccpa@yahoo.com](mailto:ccpa@yahoo.com)

P. O. Box 1495  
Muskogee, Oklahoma 74402  
918-687-0189 FAX 918-687-3594

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**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing  
Standards***

**Independent Auditors' Report**

Board of Trustees  
Okmulgee County Criminal Justice Authority  
Okmulgee, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Okmulgee County Criminal Justice Authority, a component unit of Okmulgee County, Oklahoma, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which comprise the Authority's basic financial statements, and have issued our report thereon dated November 25, 2013.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Okmulgee County Criminal Justice's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given the limitations, during our audit we did not identify any

deficiencies in internal control we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Okmulgee County Criminal Justice Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliances. This report is an integral part of an audit performed in accordance with *Governmental Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Clothier & Company CPA's".

Clothier & Company, CPA's, P.C.  
November 25, 2013

## SUPPLEMENTAL INFORMATION

**Okmulgee County Criminal Justice Authority**  
**BUDGETARY COMPARISON - JAIL**  
**June 30, 2013**

	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Variance</b>
<b>Revenue:</b>				
DOC	801,175	801,175	644,429	156,746
Phone Commissions	108,000	108,000	118,728	(10,728)
Incarceration Fees	261,784	261,784	180,766	81,018
Sales tax	540,000	540,000	492,841	47,159
Interest	14,035	14,035	1,980	12,055
Other & Canteen	109,000	109,000	1,464	107,536
Total Revenue	1,833,994	1,833,994	1,440,208	393,786
<b>Operating Expenses:</b>				
Salaries/Overtime	848,062	854,063	851,450	2,613
Employee Benefits	290,839	233,839	232,835	1,004
Payroll Taxes	71,568	63,968	76,891	(12,923)
Uniforms & allowance	2,500	2,500	4,413	(1,913)
Travel and training	2,500	2,500	2,152	348
Inmate expenses	146,160	171,160	168,396	2,764
Medical supplies	10,220	10,220	5,397	4,823
Office supplies	8,000	7,000	6,640	360
Operating supplies	36,550	46,050	41,439	4,611
Automotive expenses	11,385	11,385	8,881	2,504
Repairs and maintenance	1,000	1,500	2,728	(1,228)
Miscellaneous	750	750	21,147	(20,397)
Kitchen supplies	500	1,100	1,022	78
Bedding supplies	5,000	6,000	5,731	269
Insurance	90,339	90,513	90,513	0
Telephone/Utilities	132,800	137,300	137,256	44
Communications	8,300	8,300	0	8,300
Contract/professional	83,700	114,700	89,015	25,685
Rentals & Leases	9,800	11,900	0	11,900
C. O. office/computers.	2,500	2,500	1,243	1,257
C. O. mobile equipment	15,000	400	0	400
C. O. safety equipment	1,000	1,000	0	1,000
C. O. equipment - other	500	500	11,202	(10,702)
Total Operating Expenses	1,778,973	1,779,148	1,758,351	20,797
Revenue over/(under) expenses	55,021	54,846	(318,143)	372,989

Reconciliation to Statement of Revenues, Expenditures and Changes in Fund Balance:

Revenue over/(under) expenses	(318,143)
Vacation wages expense	(4,679)
Depreciation expense	(36,236)
Transfers	31,150
Less: capital outlay reclassified to assets	<u>12,445</u>
Change in Fund Balance	<u><u>(315,463)</u></u>